



## CEO MESSAGE

We are pleased to share the 2019 Annual Member Report with you, detailing the investment performance, allocation and annual valuation of the Canadian Forces Non-Public Funds Employees Pension Plan over the past year.

The year 2019 was good for market returns and the Plan earned a very healthy return of 13.1 per cent. Plan changes implemented in 2019 also positioned our Pension Plan for long-term sustainability and maintained a defined benefit plan for our Members. Great effort and planning went into implementing the changes and we continue to carefully monitor the fund to maximize our returns and manage the risks of investment losses.

This year, your Member Report comes in the midst of a global pandemic. The unprecedented nature of COVID-19 and its impact on global markets has affected all investment portfolios across the globe including our pension investment. The government of Canada has taken great effort during this time to mitigate market impact and as economies reopen and markets are beginning to show signs of recovery, we too are taking great effort to secure our Pension Plan.

No amount of planning could have anticipated our current situation, but we continue to monitor the market on a daily basis. The Pension Investment Committee is meeting frequently and we remain vigilant in managing the pension fund over the next few months and well into the future.

Communicating with you and addressing your questions and concerns remains a high priority. We stand committed as always to supporting you, our Members, and protecting our Pension Plan.

We encourage you to stay informed by visiting [www.cfmws.com/pension](http://www.cfmws.com/pension) to access available resources to help you understand your pension.

For any information regarding your annual pension statement attached, please contact Coughlin and Associates at [npfpension@coughlin.ca](mailto:npfpension@coughlin.ca).



Sean N. Cantelon  
CEO, Staff of the Non-Public Funds, Canadian Forces

## RESOURCES

As an NPF Pension Plan member, you have access to a variety of tools and resources to increase your financial literacy and to help you understand how the plan is being managed. If you are preparing for retirement or simply thinking about it, check out the many resources that can help you out. The pension booklets, an estimator tool, a collection of FAQs and other resources are readily available on our website: [www.cfmws.com/Pension](http://www.cfmws.com/Pension).

If you have specific questions regarding your annual pension statement or to update your contact information email: [npfpension@coughlin.ca](mailto:npfpension@coughlin.ca).

For general questions contact your local HR representative or email [pensionplan@cfmws.com](mailto:pensionplan@cfmws.com).

## PLANNING AHEAD?

The Pension Estimator is a useful tool you can access through Coughlin's Plan Member Portal here: [www.cfmws.com/pensionestimator](http://www.cfmws.com/pensionestimator). If you did not receive a personal identification code and temporary password for the portal, lost it or forgot your password, please contact Coughlin at [nppension@coughlin.ca](mailto:nppension@coughlin.ca).

### INVESTMENT RESULTS

2019 Net Rate of Return: 12.80%

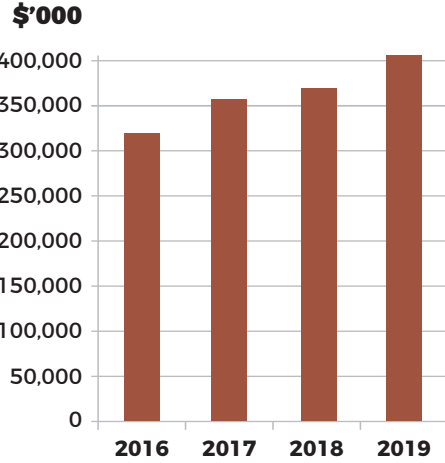
2018 Net Rate of Return: -8.80%

2017 Net Rate of Return: 8.40%

2016 Net Rate of Return: 8.60%

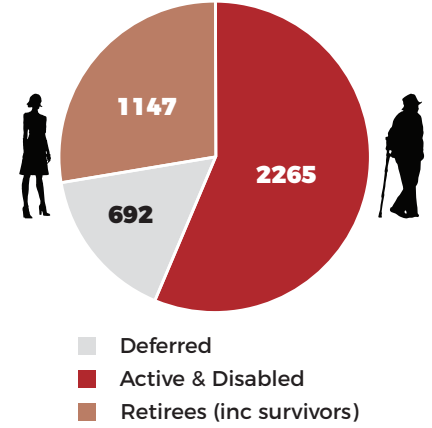
### PLAN FUNDING

#### Net Assets

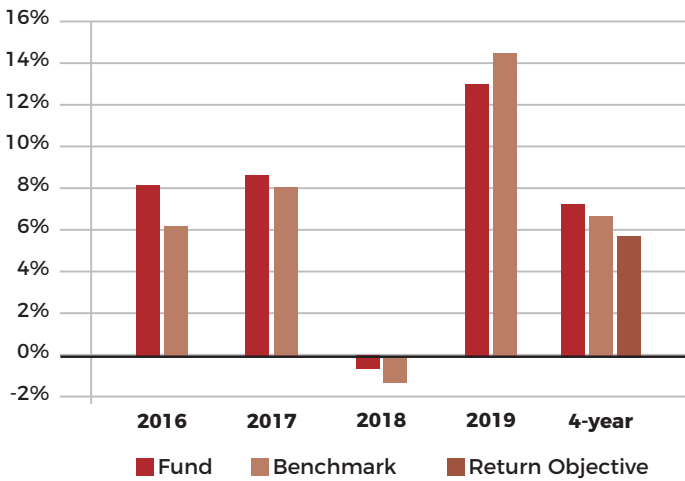


### MEMBERSHIP

Average age of active member = 44 yrs  
Average age of retiree = 71.9 yrs



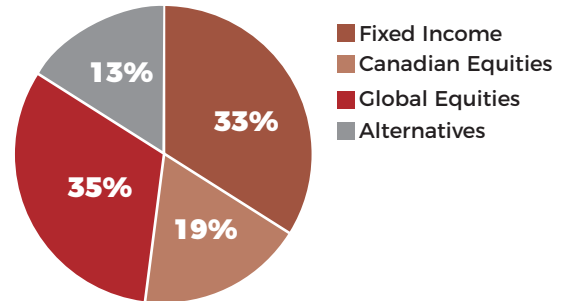
### PENSION INVESTMENT PERFORMANCE



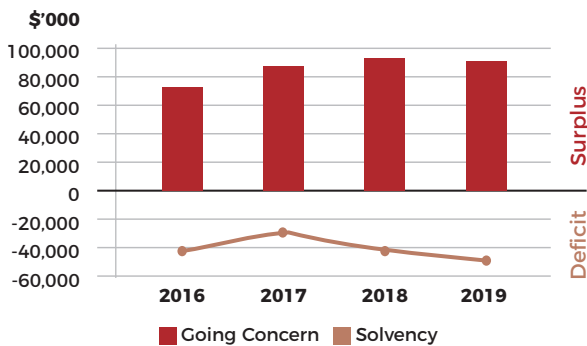
### INVESTMENT ALLOCATION

(current as of end 2019) in percentage

The Pension Board determines the Investment Policy allocations, which are implemented by the Pension Investment Committee.



### ANNUAL VALUATION



#### GOING CONCERN EXPLAINED:

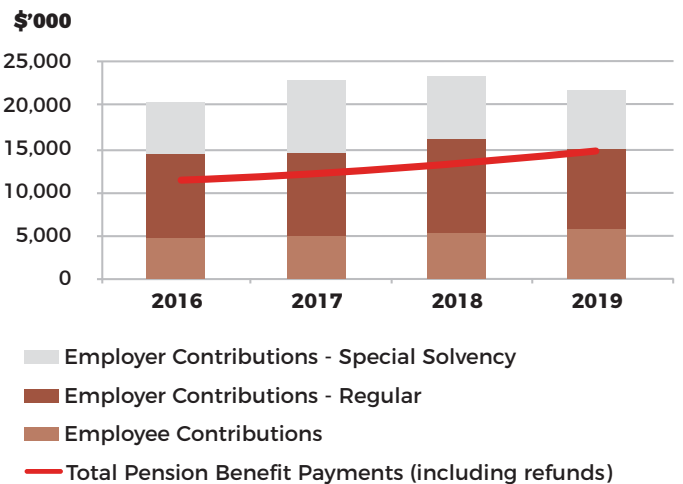
Going Concern ratio for 2019 was slightly down from 2018, but the slight decrease did not impact the plan's overall health.

#### SOLVENCY DEFICIT EXPLAINED:

Solvency ratio for 2019 was down, mainly due to a decrease in interest rates.

### CONTRIBUTION VS PENSION BENEFIT PAYMENTS

Employee contributions were slightly higher and the employer made special solvency payments totaling \$6.7M to protect the plan.



## STAY IN TOUCH

To ensure you're receiving information about your Pension Plan, it's very important to keep your contact information up to date with your employer or Coughlin. Employees can contact their local HR representative. Retirees can contact Coughlin and Associates by email at [nppension@coughlin.ca](mailto:nppension@coughlin.ca) or call toll-free at 1-888-613-1234.